

# FISCAL NOTE

S.B. 60

SHORT TITLE: Fuel Excise Tax Amendments

SPONSOR: Valentine, J.

2014 GENERAL SESSION

## STATE GOVERNMENT (UCA 36-12-13(2)(b))

Enactment of this bill may increase revenue to the Transportation Fund if the rack price per gallon of gasoline increases above the \$2.84 base. An increase in rack price from \$2.84 to \$3.84 equates to \$39 million in increased revenue, \$27.2 million of which would be available for state construction projects. This is not expected to happen in FY 2015 or FY 2016.

## LOCAL GOVERNMENTS (UCA 36-12-13(2)(c))

Beyond FY 2016, should the rack price per gallon of gasoline increase beyond \$2.84, local governments may see an increase in B&C road funding. An increase in the rack price from \$2.84 to \$3.84 equates to a B&C road funding increase of \$11.8 million (30% of total revenue increase).

## DIRECT EXPENDITURES BY UTAH RESIDENTS AND BUSINESSES (UCA 36-12-13(2)(d))

Beyond FY 2016, individuals and businesses may see a tax increase if the rack price per gallon of rises above \$2.84. An increase in the rack price per gallon from \$2.84 to \$3.84 equates to a tax increase of \$39 million overall; for a person driving a gasoline vehicle 12,000 miles per year that gets 25 miles per gallon, this tax increase equates to \$18 per year.

## PERFORMANCE NOTE (JR 4-2-404): Not Required